

DATE: December 19, 2019

TO: Todd Wyett, Chairman
State Transportation Commission

FROM: Paul C. Ajegba
Director

SUBJECT: Waiver of Commission Approval

The projects and descriptions documented in Exhibit A, attached, are contracts between the Michigan Department of Transportation and local agencies, loan recipients and a private vendor. These contracts require approval of the State Transportation Commission (STC). The approximate five-week delay resulting if Commission approval were deferred to the next STC meeting on January 23, 2020, would delay the transmittal of funds, and jeopardize construction schedules and transportation services.

The projects and descriptions documented in Exhibit A-1 attached, will be let by the Michigan Department of Transportation on January 10, 2020. These projects require pre-approval as the engineers' estimates are over \$500,000. The approximate five-week delay resulting if Commission pre-approval was deferred to the next STC meeting on January 23, 2020, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedules.

The projects and descriptions documented in Exhibit A-2, attached, were let by the Michigan Department of Transportation on November 1, November 22, and December 6, 2019. The low bids received were more than 10% over the engineers' estimate, or only received one bid, and therefore require approval by the STC. The approximate five-week delay resulting if Commission approval were deferred to the next STC meeting on January 23, 2020, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedule.

Thus, a waiver of the required Commission approval is requested, as provided in Commission Resolution 79-3, as amended, footnote F:

"If, in the opinion of the Director, the public interest requires that a certain contract be awarded or an agreement be executed prior to approval by the Commission, hereunder, the Director shall seek a waiver of the required approval from the Chairman of the Transportation Commission. If the request of the approval is verbal, the waiver shall be confirmed, in writing, within fourteen (14) days."

If the waiver is granted, the Department will proceed to execute the items noted above.

Signed copy on file

Director

The request for waiver of Commission approval of the above-mentioned items are approved.

Signed copy on file

Todd Wyett, Chairman

December 18, 2019

Date

REQUEST FOR MICHIGAN STATE TRANSPORTATION COMMISSION APPROVAL

CONTRACTS

December 19, 2019

The following contracts are being submitted for approval. The appropriate documents will be approved by the Attorney General and comply with all legal and fiscal requirements prior to award.

CONTRACTS

1. HIGHWAYS - Participation for State Local Bridge Construction Contract
Contract (2019-5527) between MDOT and the City of Norton Shores will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program:

Rehabilitation work for structure 7703, which carries Lake Harbor Road over Mona Lake Channel, Section 4, T09N, R17W, City of Norton Shores, Muskegon County, Michigan, including hot mix asphalt surfacing, pier repair, deck joint replacement, pedestrian railing improvement, approach, and maintaining traffic work.

Estimated Funds:

Federal Highway Administration Funds	\$160,200
State Restricted Trunkline Funds	\$ 30,000
City of Norton Shores Funds	<u>\$ 10,000</u>
Total Funds	<u>\$ 200,200</u>

BHT 61000 – 202399
Letting of 1/10/2020

2. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5532) between MDOT and the City of Otsego will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt resurfacing work along South Grant Street from Highway M-89 to the Otsego Middle School entrance, along North Street from Highway M-89 to Helen Avenue, along Orleans Street from Grant Street to Sherwood Street, along Franklin Street from South Grant Street to Sherwood Street, along Eley Street from Highway M-89 to Barton Street, along Temple Street from Irving Street to South Wilmott Street, along Allen Street from Irving Street to S Wilmott Street, and along Goodsell Street from Lawrence Drive to Barton Street.

* Denotes a non-standard contract/amendment

Estimated Funds:

State Restricted TED Funds	\$125,000.00
City of Otsego Funds	<u>\$125,993.57</u>
Total Funds	<u>\$250,993.57</u>

EDB 03000 – 208828; Allegan County
Local Letting

3. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5533) between MDOT and the Village of Morrice will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt pulverizing, shaping, grading, and resurfacing work along Mason Street from Morrice Road to Purdy Street, along Purdy Street from Mason Street to West Lansing Road, and along Main Street from Mason Street to South Street.

Estimated Funds:

State Restricted TED Funds	\$166,627
Village of Morrice Funds	<u>\$166,627</u>
Total Funds	<u>\$333,254</u>

EDB 76000 – 209362; Shiawassee County
Local Letting

4. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5534) between MDOT and the Village of Laurium will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt pulverizing and resurfacing work along Old Colony Road from Amygdaloid Street to North Florida Street, including geogrid reinforcement installation, minor drainage improvement, and restoration work.

Estimated Funds:

State Restricted TED Funds	\$ 75,000
Village of Laurium Funds	<u>\$ 75,000</u>
Total Funds	<u>\$150,000</u>

EDB 31000 – 209439; Houghton County
Local Letting

5. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5535) between MDOT and the Village of Chesaning will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt crushing, shaping, and resurfacing work along East Liberty Street from Highway M-57 to the eastern village limits of Chesaning, and along Center Street from Washington Street to Highway M-57; driveway installation, drainage improvement, and concrete sidewalk ramp work at Liberty Street,

* Denotes a non-standard contract/amendment

Highway M-57, Washington Street, and Center Street; crack and seal coating work along North Line Street from West Broad Street to the north village limits, along Gasper Street from Sunnyside Drive to the termini of Samuel Street, and along Pearl Street from South Front Street to the western limits of Pearl Street; wedging work along South Saginaw Street from West Broad to South Chapman, and wedging and seal coating work along South Chapman Street from Pearl to Mason Street.

Estimated Funds:

State Restricted TED Funds	\$250,000
Village of Chesaning Funds	<u>\$349,800</u>
Total Funds	<u>\$599,800</u>

EDB 73000 – 209442; Saginaw County
Local Letting

6. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5536) between MDOT and the Alpena County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category F Funds:

Roadway resurfacing work along Werth Road from Piper Road to Lowell Avenue, including drainage improvement work.

Estimated Funds:

State Restricted TED Funds	\$362,544
Alpena County Road Commission Funds	<u>\$102,256</u>
Total Funds	<u>\$464,800</u>

EDF 04000 – 207929
Local Letting

7. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5539) between MDOT and the St. Joseph County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category F Funds:

Roadway resurfacing and paved shoulder work along North Centerville Road from the city limits of Sturgis to Wait Road, and along Wait Road from North Centerville Road to Highway M-66.

Estimated Funds:

State Restricted TED Funds	\$252,000
St. Joseph County Road Commission Funds	<u>\$ 63,000</u>
Total Funds	<u>\$315,000</u>

EDF 78000 – 207926
Local Letting

8. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5544) between MDOT and the Dickinson County Road Commission will provide for participation in the following improvements:

Horizontal curve upgrading work at up to 41 locations along County Road 569 from Highway US-2 northerly to Highway M-69, including permanent signing work.

Estimated Funds:

Federal Highway Administration Funds	\$55,778.76
Dickinson County Road Commission Funds	<u>\$ 6,197.64</u>
Total Funds	<u>\$61,976.40</u>

HSIP 22000 – 206922
Local Force Account

9. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5554) between MDOT and the Village of New Haven will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Roadway reconstruction work along Ann Street from Main Street to Havenridge Road and along North Bradford Street from Bradford Street to Channing Street, including aggregate base, hot mix asphalt resurfacing, and concrete curb and gutter work along Ann Street from Main Street to Havenridge. Cold milling and resurfacing work along Marla Drive from Manning Drive to the terminus of Marla Drive and along Midfield Drive from Manning Drive to terminus of Midfield Drive.

Estimated Funds:

State Restricted TED Funds	\$250,000
Village of New Haven Funds	<u>\$253,680</u>
Total Funds	<u>\$503,680</u>

EDB 50000 – 208882; Macomb County
Local Letting

10. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5555) between MDOT and the City of Ovid will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt cold milling and resurfacing work along Williams Street from Fitch Street to East Street, along High Street from the western boundary of the City of Ovid to Mill Street, along East Street/Meridian Street from Clinton Street to Second Street, along Mill Street from Clinton Street to First Street, and along Park Street from Rails and Trails to the terminus of North Park Street.

Estimated Funds:

State Restricted TED Funds	\$ 98,148
Roscommon County Road Commission Funds	<u>\$ 98,148</u>
Total Funds	<u>\$196,296</u>

EDF 19000 – 209498
Local Letting

11. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5556) between MDOT and the Emmett County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category F Funds:

Hot mix asphalt resurfacing work along Atkins Road from McDougal Road to Division Road, including drainage improvement, paved shoulder, and guardrail installation work.

Estimated Funds:

State Restricted TED Funds	\$168,000
Emmett County Road Commission Funds	<u>\$ 42,000</u>
Total Funds	<u>\$210,000</u>

EDF 24000 – 207927CON
Local Letting

12. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5559) between MDOT and the City of Dearborn will provide for funding participation in the construction of the following improvements:

Combined sewer outfall separation work at the Colson Outlet for storm water facilities in the area bordered by Warren Avenue to the north, Schaefer Road to the east, Colson Road to the south, and Mead Street to the west outletting into the storm sewer main, including removal and replacement of watermain crossings and sanitary and storm sewer conflicts.

Estimated Funds:

City of Dearborn Funds	\$7,615,889
State Restricted Trunkline Funds	<u>\$ 455,800</u>
Total Funds	<u>\$8,071,689</u>

M 84900 – 203817CON; Wayne County
Local Letting

13. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2019-5561) between MDOT and the City of Hudson will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt resurfacing work along North Maple Grove Avenue from approximately 200 feet south of Douglas Street northerly to Taney Street, including subbase, underdrain, aggregate base, and concrete curb and gutter work.

* Denotes a non-standard contract/amendment

Estimated Funds:

State Restricted TED Funds	\$190,000
City of Hudson Funds	<u>\$200,000</u>
Total Funds	<u>\$390,000</u>

EDB 46000 – 209483; Lenawee County
Local Letting

14. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2019-5562) between MDOT and the City of Onaway will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt resurfacing work along South Lynn Street from State Street to south of Elsdon Street and along South Veterans Drive from State Street to Elsdon Street, including grading, pulverizing and shaping work.

Estimated Funds:

State Restricted TED Funds	\$30,734
City of Onaway Funds	<u>\$35,752</u>
Total Funds	<u>\$66,486</u>

EDB 71000 – 209542; Presque Isle County
Local Letting

15. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2019-5563) between MDOT and the City of Caspian will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt resurfacing work along West Fourth Street from Caspian Avenue to Bathje Road, including subbase and aggregate base work.

Estimated Funds:

State Restricted TED Funds	\$ 75,000
City of Caspian Funds	<u>\$ 75,000</u>
Total Funds	<u>\$150,000</u>

EDB 36000 – 209544; Iron County
Local Letting

16. HIGHWAYS - Participation for State Local Bridge Construction Contract
Contract (2019-5579) between MDOT and the City of Wayne will provide for funding participation in the construction of the following improvements under the State Local Bridge Program:

PART A

Rehabilitation work for structure 12521, which carries John Hix Road over the Lower River Rouge, Section 30, T02S, R09E, City of Wayne, Wayne County, Michigan, including bridge deck replacement, joint repair, approach, and maintaining traffic work.

PART B

Audio-visual recording for structure 12521, which carries John Hix Road over the Lower River Rouge, Section 30, T02S, R09E, City of Wayne, Wayne County, Michigan.

Estimated Funds:

	<u>PART A</u>	<u>PART B</u>	<u>TOTAL</u>
State Restricted Trunkline Funds	\$290,300	\$ 0	\$290,300
City of Wayne Funds	\$ 15,300	\$3,000	\$ 18,300
Total Funds:	<u>\$305,600</u>	<u>\$3,000</u>	<u>\$308,600</u>

MC5 82000 – 202414; Wayne County
Letting of 1/10/2020

17. *EXECUTIVE (Office of Economic Development) - SIB Loan
Contract (2020-0162) between MDOT and the Village of Lake Linden is a state infrastructure bank (SIB) loan to assist the Village in financing transportation infrastructure improvements through repairs to streets damaged by a flood disaster in June 2018. The Village plans to use Federal Emergency Management Agency funds and Michigan State Police Emergency Management funds to repay the loan. MDOT will loan \$1,077,955 at 0 percent interest for 5 years to the Village of Lake Linden. The contract will be in effect from the date of award through December 31, 2025. Source of Funds: SIB Loan Funds - \$1,077,955.
18. *EXECUTIVE (Office of Economic Development) - SIB Loan
Contract (2020-0163) between MDOT and the Village of Baraga is a state infrastructure bank (SIB) loan to assist the Village in financing transportation infrastructure improvements through repairs to streets damaged by a flood disaster in June 2018. The Village plans to use Emergency Relief on Federally Owned Roads funds to repay the loan. MDOT will loan \$1,396,830 at 0 percent interest for 5 years to the Village of Baraga. The contract will be in effect from the date of award through December 31, 2025. Source of Funds: SIB Loan Funds - \$1,396,830.
19. *PASSENGER TRANSPORTATION - Section 5311(f) Intercity Operating Program
Amendatory Contract (2015-0313/A7) between MDOT and Indian Trails, Inc., will reduce the contract amount by \$122,534 (\$61,267 in federal funds and \$61,267 in state funds) to allow the funds to be transferred to the new intercity bus operating contract (20 19-0940) and will extend the contract term by six months to provide sufficient time for Indian Trails, Inc., to complete the transfer. The original contract provides Federal Section 5311(f) Intercity Bus Program funds and state funds for intercity bus operating service in Michigan. The revised contract term will be August 1, 2015, through March 30, 2020. The revised contract amount will be \$9,022,726. Source of Funds: Federal Transit Administration Funds - \$4,511,363; FY 2014, FY 2015, FY 2016, FY 2017, FY 2018, and FY 2019 State Restricted Comprehensive Transportation Funds - \$4,511,363

20.-39. PASSENGER TRANSPORTATION - Specialized Services

The following authorization revisions under master agreements between MDOT and the following agencies will provide \$521,287 in additional state funding for the FY 2020 Specialized Services Program and will extend the authorization terms by 15 days to provide sufficient time for the agencies to complete fiscal year end activities. The program furnishes operating assistance for transportation services for elderly individuals and individuals with disabilities. Reimbursement is based on \$1.20 per vehicle mile, \$4.07 per one-way passenger trip, or \$0.29 per vehicle mile for volunteer driver trips. The revised authorization terms will be October 1, 2019, through October 15, 2020. The revised total amount of the authorizations will be \$3,575,240. The terms of the master agreements are from October 1, 2017, until the last obligations between the parties have been fulfilled. The master agreements include authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2020 State Restricted Comprehensive Transportation Funds - \$3,575,240.

	<u>Agreement/Authorization/Revision</u>	<u>Agency</u>	<u>Total</u>
20.	2017-0003/19/1	Allegan County Board of Commissioners	\$124,918
21.	2017-0008/11/1	Ann Arbor Area Transportation Authority	\$207,024
22.	2017-0015/8/1	Battle Creek, City of	\$108,434
23.	2017-0017/23/1	Bay Metropolitan Transportation Authority	\$162,063
24.	2017-0042/4/1	Delta County Board of Commissioners	\$ 51,850
25.	2017-0050/6/1	Friendship Centers of Emmet County	\$109,125
26.	2017-0065/10/1	Houghton, City of	\$ 68,102
27.	2017-0070/11/1	Interurban Transit Partnership	\$542,369
28.	2017-0078/15/1	Key Opportunities, Inc.	\$ 66,728
29.	2017-0082/11/1	Livingston County Board of Commissioners	\$ 70,080
30.	2017-0090/18/1	Marquette County Transit Authority	\$ 54,977
31.	2017-0092/19/1	Mass Transportation Authority	\$359,136
32.	2017-0104/15/1	Muskegon County Board of Commissioners	\$ 76,679
33.	2017-0112/7/1	Oscoda County Area Transit Specialists	\$ 58,243
34.	2017-0114/4/1	Ottawa County Board of Commissioners	\$184,465
35.	2017-0117/4/1	Presque Isle County Board of Commissioners	\$ 50,821
36.	2017-0121/18/1	Saginaw Transit Authority Regional Services	\$115,810
37.	2017-0127/23/1	Shiawassee Area Transportation Agency	\$ 91,752
38.	2017-0130/18/1	Suburban Mobility Authority for Regional Transportation	\$922,294
39.	2017-0135/7/1	Upper Peninsula Community Services, Inc.	\$150,370

40. PASSENGER TRANSPORTATION - Section 5307/Section 5339/CMAQ/STP Programs

Project Authorization (13) Revision (1) under Master Agreement (2017-0008) between MDOT and the Ann Arbor Area Transportation Authority will reduce the authorization amount by \$75,231 (\$60,185 in federal funds and \$15,046 in state funds) to match revisions to the federal grant. The original authorization provides state matching funds for FY 2018 and FY 2019 Federal Section 5307 Transit Formula Grants Program and Congestion Mitigation and Air Quality Improvement Program and FY 2019 Federal Section 5339 Bus and Bus Facilities Formula Program grant for revenue vehicles, maintenance equipment, computer hardware and software, support vehicles, capital cost of contracting, preventive maintenance, transit enhancements, and facility renovations. The authorization term remains unchanged, August 30, 2019, through August 29, 2023. The revised authorization amount will be \$8,420,703. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: Federal Transit Administration Funds - \$6,736,562; FY 2019 State Restricted Comprehensive Transportation Funds - \$1,684,141.

41. PASSENGER TRANSPORTATION - Michigan Mobility Challenge
Project Authorization (17) Revision (2) under Master Agreement (2017-0016) between MDOT and the Bay Area Transportation Authority will extend the authorization term by one year to provide sufficient time for the Authority to complete the project. Additional time is needed for deployment of the technology because of the complexity of integrating the application with two different dispatch software providers. The original authorization provides 100 percent state funds for a demonstration of mobility technology to reduce ride cancellations and increase ease of access. The revised authorization term will be December 14, 2018, through December 13, 2020. The authorization amount remains unchanged at \$990,000. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2018 State Transportation Funds - \$990,000.
42. PASSENGER TRANSPORTATION - Michigan Mobility Challenge
Project Authorization (8) Revision (2) under Master Agreement (2017-0027) between MDOT and the Capital Area Transportation Authority will extend the authorization term by six months and will require a revised timeline for the project. The additional time is needed for mobile application and sensor improvements, promotion of the new program, and service and staff training. The original authorization provides 100 percent state funds for a demonstration project to improve public transportation for people with visual disabilities through greater communication between riders, bus stops, and bus operators. The revised authorization term will be November 27, 2018, through May 26, 2020. The authorization amount remains unchanged at \$464,910. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2018 State Transportation Funds - \$464,910.
43. PASSENGER TRANSPORTATION - Marine Capital
Project Authorization (18) Revision (1) under Master Agreement (2017-0047) between MDOT and the Eastern Upper Peninsula Transportation Authority will reduce the authorization amount by \$157,359 in state funds to allow the funding to be moved to another authorization. The original authorization provides 100 percent state funds for property acquisition and construction of a new transit facility. The authorization term remains unchanged, August 26, 2019, through August 25, 2022. The revised authorization amount will be \$3,142,641. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2019 State Restricted Comprehensive Transportation Funds - \$3,142,641.
44. PASSENGER TRANSPORTATION - Marine Capital
Project Authorization (20) under Master Agreement (2017-0047) between MDOT and the Eastern Upper Peninsula Transit Authority (EUPTA) will provide 90 percent state marine capital funds for marine support equipment and vessel system and dock upgrades to the St. Mary's River Ferry System, which provides marine passenger service between Sault Ste. Marie and Sugar Island between Barbeau and Neebish Island, and between DeTour and Drummond Island. The authorization will be in effect from the date of award through three years. The authorization amount will be \$266,733. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled.
The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2020 State Restricted Comprehensive Transportation Funds - \$240,060; EUPTA Funds - \$26,673.

45. PASSENGER TRANSPORTATION - Service Initiatives
Project Authorization (7) Revision (1) under Master Agreement (2017-0119) between MDOT and the Regional Transit Authority of Southeast Michigan (RTA) will add \$1,500,000 in state funding, will add a line item for Regional Pilot Projects, and will revise the authorization language to remove the original mobility management language and add municipal challenge language. The funding is being added to fulfill MDOT's financial commitment to RTA. The original authorization provides FY 2019 state funds for RTA's municipal challenge to pair promising mobility solutions with participating municipalities in Macomb, Oakland, and Wayne Counties to solve specific mobility challenges that face Metropolitan Detroit. The authorization term remains unchanged, August 26, 2019, through August 25, 2023. The revised authorization amount will be \$1,635,893. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2019 and FY 2020 State Restricted Comprehensive Transportation Funds - \$1,635,893.
46. RAIL – Construction Services for Bridge Rehabilitations
Project Authorization (20) Revision (2) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will extend the authorization term by six months to provide sufficient time for Amtrak to complete additional services, including removal of the inactive Elders Mill bridge superstructure and deck over the Grand River and rehabilitation of the east concrete abutment of the Mechanic Street bridge, as well as additional time for final inspection and final invoicing. The original authorization provides for construction services to be performed on the Michigan Line railroad corridor at bridges over Sandstone Creek, Augusta Creek (4 Mile), and Gull Creek at Mile Post (MP) 80.96, MP 130.12, and MP 133.45, respectively. Construction services to be performed consist of full or part width superstructure replacement, moderate substructure repair, installation of safety walkway and railing, and installation of scour control countermeasures. MDOT compensates Amtrak for eligible costs under the approved scope of work and estimate. The revised authorization term will be July 31, 2018, through June 30, 2020. The authorization amount remains unchanged at \$2,593,809. The term of the master agreement is from December 7, 2012, through September 30, 2032. Source of Funds: State Restricted Comprehensive Transportation Funds - \$2,593,809.
47. *RAIL - Port Authority Operating Assistance
Contract (2020-0165) between MDOT and the Detroit/Wayne County Port Authority (DWCPA) will provide funding to help finance DWCPA's FY 2020 operations. This funding is provided under the provisions of 1978 PA 639 and 2019 PA 66. The contract will be in effect from October 1, 2019, through September 30, 2020. The contract amount will be \$418,000. Source of Funds: FY 2020 State Restricted Comprehensive Transportation Funds - \$418,000.

Upon receipt of your approval, the contracts and agreements will be processed for award. Subject to the exercise of the discretion in the processing, I approve the contracts described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of February 11, 2019.

Respectfully submitted,

Paul C. Ajegba
Director

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL
BID LETTING PRE-APPROVAL
December 19, 2019

The following contracts are being submitted for approval.

TRUNKLINE CONTRACTS

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| <p>1. Letting of January 10, 2020
Letting Call: 2001 010
Project: HSIP 47082-132613
Local Agreement: 19-5577
Start Date: 10 days after award
Completion Date: September 19, 2022</p> | <p>Prequalification Level:
\$1,966,000.00</p> |
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0.69 mi of hot mix asphalt pavement widening for a center left turn lane including cold milling and resurfacing, signing, traffic signal modernization and pavement markings on M-59 from Cullen Road to Hartland Woods Drive, Livingston County. This project includes a 5-year and a 3-year materials and workmanship pavement warranty.

4.00 % DBE participation required

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| <p>2. Letting of January 10, 2020
Letting Call: 2001 013
Project: IM 11014-207872
Local Agreement:
Start Date: March 23, 2020
Completion Date: September 11, 2020</p> | <p>Prequalification Level:
\$10,650,000.00</p> |
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0.01 mi of box culvert replacement, weigh station reconstruction, drainage, signing, lighting and pavement markings on I-94 over Squaw Creek, Berrien County. This project includes a 5-year materials and workmanship pavement warranty. This is a PDF pilot project.

5.00 % DBE participation required

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| <p>3. Letting of January 10, 2020
Letting Call: 2001 014
Project: ST 36022-208433
Local Agreement:
Start Date: August 3, 2020
Completion Date: September 4, 2020</p> | <p>Prequalification Level:
\$704,000.00</p> |
|--|--|

1.87 mi of preventive maintenance, hot mix asphalt cold milling and resurfacing, overband crack fill, chip seal and aggregate shoulders on US-2 from East Lake Emily Road to Oss Road, Iron County. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

LOCAL AGENCY CONTRACTS

4. Letting of January 10, 2020
Letting Call: 2001 002
Project: BHT 28000-133068
Local Agreement: 19-5541
Start Date: 10 days after award
Completion Date: June 26, 2020
- Prequalification Level:
\$1,392,000.00

Replacement of one 39 foot and one 45-foot prefabricated superstructures including riprap, pier repairs, approach work, concrete curb and gutter, drainage, cofferdams and guardrail on River Road over Boardman River, Grand Traverse County. This is a Local Agency project.

3.00 % DBE participation required

5. Letting of January 10, 2020
Letting Call: 2001 009
Project: STU 63000-205947
Local Agreement: 19-5545
Start Date: May 11, 2020
Completion Date: May 21, 2021
- Prequalification Level:
\$1,650,000.00

0.54 mi of concrete pavement, repairs, curb, gutter, sidewalk and ramps, hot mix asphalt cold milling and resurfacing, aggregate base, drainage, signals and pavement markings on Civic Center Drive from Lahser Road to Northwestern Highway in the city of Southfield, Oakland County. This is a Local Agency project.

5.00 % DBE participation required

6. Letting of January 10, 2020
Letting Call: 2001 015
Project: BRT 34000-202404
Local Agreement: 19-5564
Start Date: March 2, 2020
Completion Date: September 18, 2020
- Prequalification Level:
\$1,743,000.00

Bridge replacement with 39-inch prestressed concrete box beams, approach work, cofferdams, steel sheet piling, steel piles, underdrains, concrete curb and gutter, culverts, drainage, guardrail and pavement markings on Long Lake Road over Dickerson Creek, Ionia County. This is a Local Agency project.

0.00 % DBE participation required

7. Letting of January 10, 2020
Letting Call: 2001 016
Project: BRT 08000-202435
Local Agreement: 19-5565
Start Date: 10 days after award
Completion Date: September 30, 2020
- Prequalification Level:
\$1,665,000.00

Replacement of 2 structures with timber structures, cofferdams, treated timber and concrete piles, guardrail, approach work and pavement markings on Charlton Park Road over Little Thornapple River and North Avenue over Wabascon Creek, Barry County. This is a Local Agency project.

0.00 % DBE participation required

8. Letting of January 10, 2020
Letting Call: 2001 017
Project: TA 63000-204888
Local Agreement: 19-5571
Start Date: 10 days after award
Completion Date: November 13, 2020

Prequalification Level:
\$2,535,000.00

1.00 mi of hot mix asphalt shared use path with steel pedestrian bridge and piles, concrete pavement, curb, gutter and sidewalk ramps, earthwork, drainage and wood boardwalk on Clarkston Road from M-24 to Kern Road, Oakland County. This is a Local Agency project.

6.00 % DBE participation required

9. Letting of January 10, 2020
Letting Call: 2001 018
Project: STU 82000-203584
Local Agreement: 19-5575
Start Date: June 15, 2020
Completion Date: October 26, 2020

Prequalification Level:
\$1,858,000.00

1.33 mi of hot mix asphalt cold milling and resurfacing, concrete pavement repair, sidewalk ramps, signing and pavement markings on Lake Shore Road from Warner Road to north of Moross Road in the city of Grosse Pointe Farms, Wayne County. This is a Local Agency project.

4.00 % DBE participation required

10. Letting of January 10, 2020
Letting Call: 2001 019
Project: TAU 81000-204934
Local Agreement: 19-5572
Start Date: 10 days after award
Completion Date: June 28, 2020

Prequalification Level:
\$1,164,000.00

0.76 mi of hot mix asphalt shared use path with helical pile supported timber boardwalk, concrete sidewalks, culverts, and drainage along Grand Street Mill Creek Trail in the village of Dexter, Washtenaw County. This is a Local Agency project.

5.00 % DBE participation required

11. Letting of January 10, 2020
Letting Call: 2001 020
Project: STU 39000-131000
Local Agreement: 19-5569
Start Date: April 27, 2020
Completion Date: July 2, 2020

Prequalification Level:
\$993,000.00

0.98 mi of hot mix asphalt cold milling and resurfacing, concrete sidewalk and ramps and pavement markings on Centre Avenue from Portage Road to Sprinkle Road in the city of Portage, Kalamazoo County. This is a Local Agency project.

3.00 % DBE participation required

12. Letting of January 10, 2020
Letting Call: 2001 021
Project: STU 41000-206386
Local Agreement: 19-5576
Start Date: 10 days after award
Completion Date: July 31, 2020

Prequalification Level:
\$1,431,000.00

0.85 mi of hot mix asphalt cold milling and resurfacing, concrete pavement, curb, gutter, sidewalk and ramps, aggregate base, drainage and pavement markings on 44th Street from Breton Avenue to Shaffer Avenue in the city of Kentwood, Kent County. This is a Local Agency project.

5.00 % DBE participation required

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of February 11, 2019.

Respectfully submitted,

Paul C. Ajegba, P.E.
Director

LETTING STATISTICS

NOVEMBER 2019

STATE PROJECTS OVERVIEW

The November 1 and 22, 2019, Bid Lettings, included 53 Trunkline contracts with \$147.1 million in total engineer estimates. The low bids received totaled \$164.2 million. The average low bid for the 53 Trunkline contracts let was \$3.1 million and the median of \$1.3 million. Of the Trunkline contracts let, 34 included warranties with \$132.4 million as the low bid total. The Trunkline contracts for this letting received a total of 155 bids. In comparison to November of 2018 totals, 22 Trunkline contracts were let with total engineer estimates of \$60.3 million and total low bid dollars of \$60.6 million. The total number of bids received for November of 2018 was 79.

For fiscal year 2020 to date, 90 Trunkline contracts have been let with a low bid total of \$220.8 million. For the same period of fiscal year 2019, 35 contracts were let with the low bid total of \$123.2 million.

PROJECTS BID SUMMARY

The total number of bids received for the 68 contracts let in the November 2019, bid lettings was 219 for an average of 3.22 bids received per contract.

For the November lettings, there was one contract postponed, no contracts withdrawn, and currently four contracts resulted in the rejection of all bids.

Of the 93 contracting companies approved to submit bids for the November bid lettings, 80 submitted at least one bid.

JOB PROJECTIONS

Job projections are Trunkline jobs specific in category and are classified under the work groups of road, bridge, and traffic and safety.

The list of jobs projected to be let during FY 2020 was updated on 11/22/2019 to include a total of 391 jobs with total construction cost estimates of \$1.07 billion.

For fiscal year 2020 through the November bid lettings, 100% of jobs anticipated for this period have been let using 97.4% of the projected cost estimates. For FY 2019 through November, 100% of jobs were let using 99.8% of the projected construction costs.

UPCOMING LETTING STATS

For the **December 6, 2019**, Bid Letting, 34 Trunkline contracts with total engineer estimates of \$75.8 million are advertised. Of the 34 Trunkline contracts, 18 include warranties with an engineer estimate total of \$66.7 million. In addition, 34 Local Agency contracts with total engineer estimates of \$37.1 million are scheduled to be let.

A special letting is scheduled for **December 20, 2019**, advertising two Trunkline contracts with total engineer estimates of \$49.8 million. One of the two Trunkline contracts with an engineer's estimate of \$49.5 million includes warranties. In addition, one Local Agency contract is scheduled to be let with an engineer estimate of \$3.2 million.

NOVEMBER 2019 LETTING SUMMARY

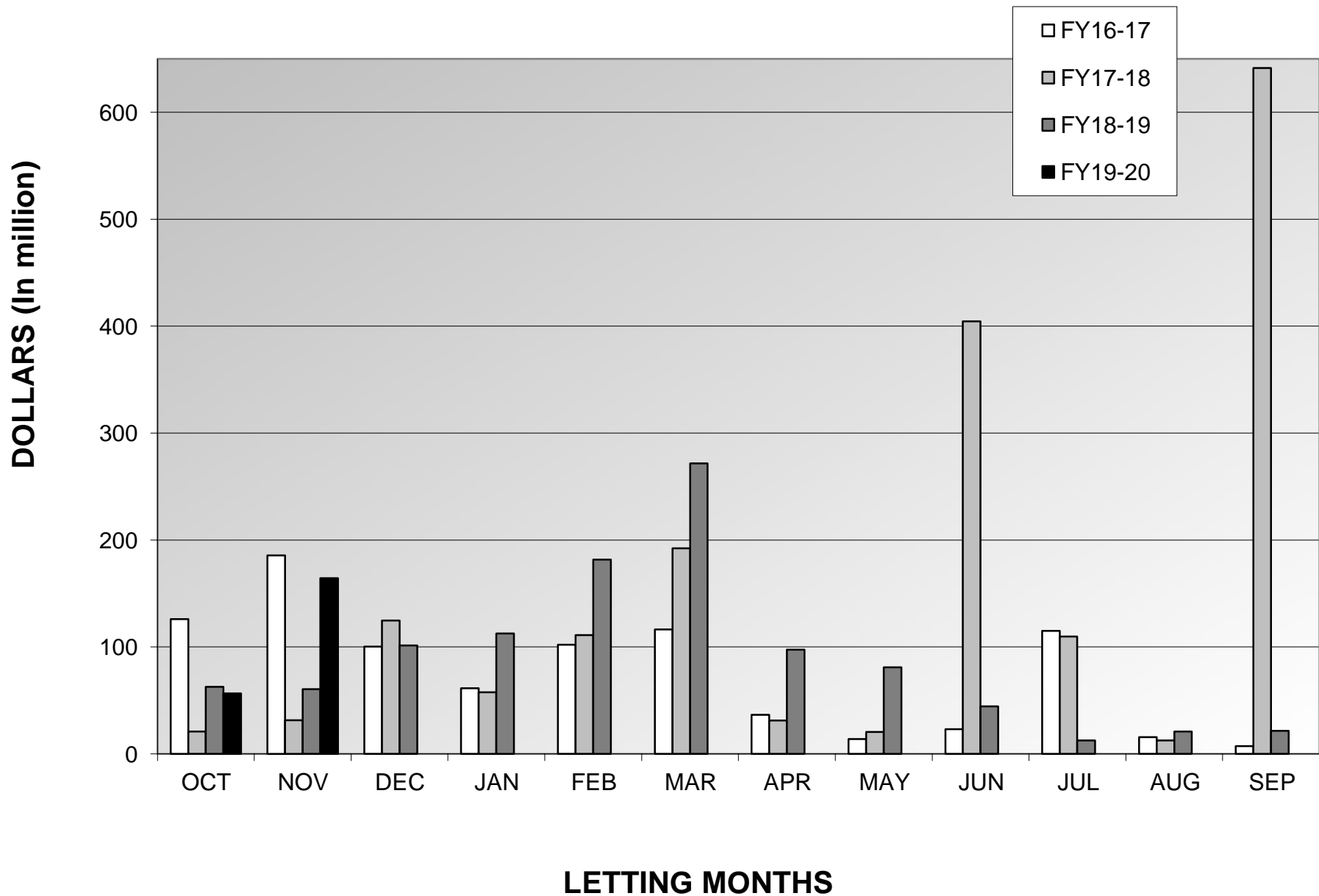
STATISTICS	PROGRAM AREA				
	TRUNKLINE	LOCAL AGENCY	AERONAUTICS	FREIGHT SERVICES	TOTALS
Project Report					
Number of Contracts Let	53	15	0	0	68
Engineer Estimates of Contracts Let	\$147,145,304.80	\$ 9,425,294.27	\$0.00	\$0.00	\$156,570,599.07
Low Bid Report					
Low Bid Total	\$ 164,199,960.02	\$ 9,960,960.00	\$0.00	\$0.00	\$174,160,920.02
% over/under Engineer's Estimate	11.59%	5.68%	0.00%	0.00%	11.23%
All Bids Rejected Report					
Number of Contracts - All Bids Rejected	2	2	0	0	4
Engineer Estimate Total	\$3,098,787.25	\$1,970,569.75	\$0.00	\$0.00	\$5,069,357.00
Low Bid Total	\$4,491,044.06	\$2,455,502.02	\$0.00	\$0.00	\$6,946,546.08
% over/under Engineer's Estimate	44.93%	24.61%	0.00%	0.00%	37.03%
Low Bids Pending					
Number of To Be Announced Contracts	3	0	0	0	3
Engineer Estimate Total	\$42,082,931.71	\$0.00	\$0.00	\$0.00	\$42,082,931.71
Low Bid total	\$55,608,074.09	\$0.00	\$0.00	\$0.00	\$55,608,074.09
% over/under Engineer's Estimate	32.14%	0.00%	0.00%	0.00%	32.14%
Bidder (Bids) Report					
Number of Bids Received	155	64	0	0	219
Average # of Bidders per Project	2.92	4.27	0.00	0.00	3.22

UPCOMING LETTING PROJECTIONS

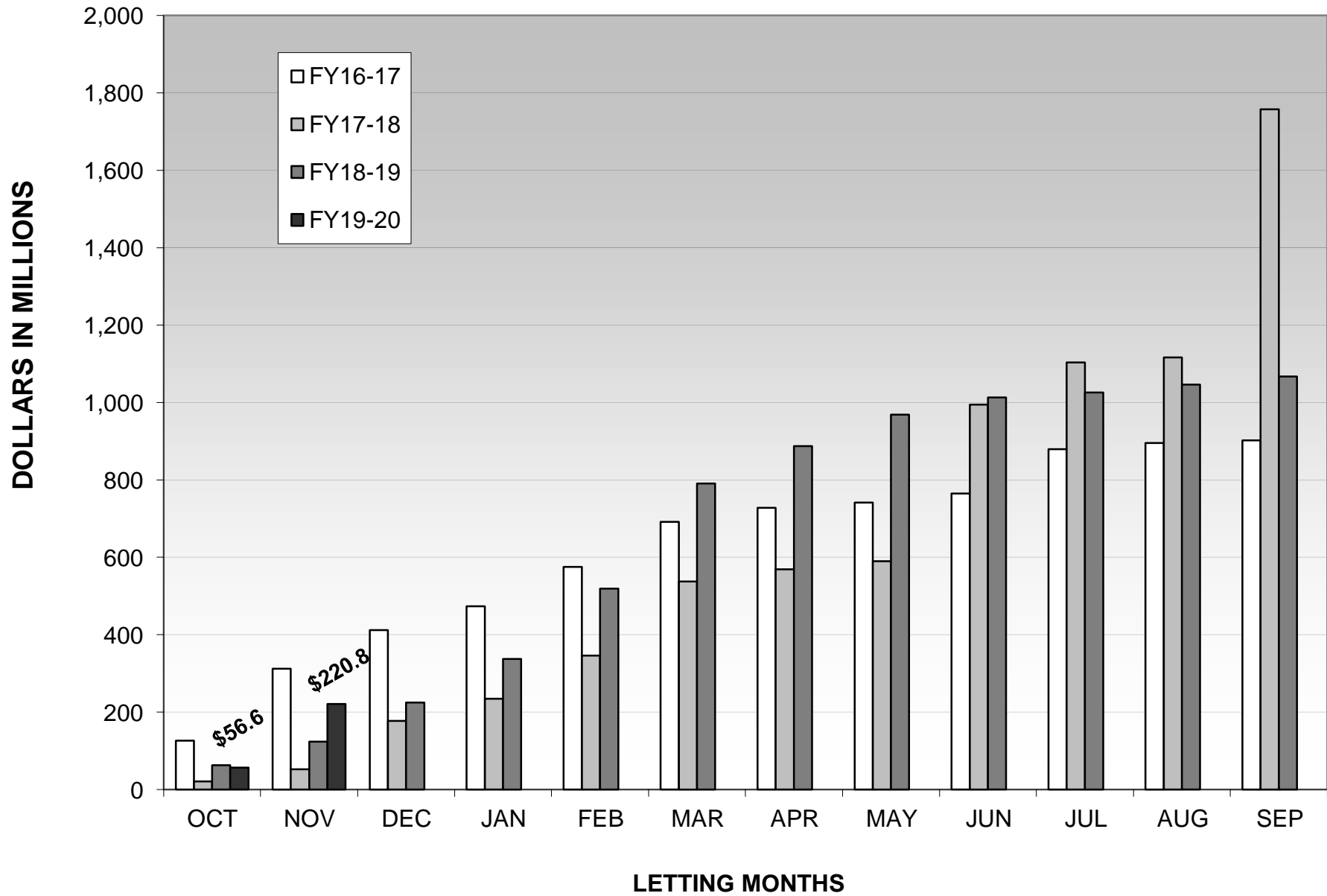
LETTING DATES	<u>Trunkline</u>	<u>Local Agency</u>	<u>Aeronautics</u>	<u>Freight Services</u>	<u>Total</u>
December 6, 2019, Bid Letting					
# of Contracts Advertised	34	34	0	0	68
# of Contracts with Warranties	18	0	0	0	18
\$ Engineer Estimates of Contracts Advertised (In million)	\$75.77	\$37.08	\$0.00	\$0.00	\$112.85
\$ Engineer Estimates of Warranty Contracts (In million)	\$66.74	\$0.00	\$0.00	\$0.00	\$66.74
December 20, 2019, Bid Letting					
# of Contracts Advertised	2	1	0	0	3
# of Contracts with Warranties	1	0	0	0	1
\$ Engineer Estimates of Contracts Advertised (In million)	\$49.75	\$3.17	\$0.00	\$0.00	\$52.92
\$ Engineer Estimates of Warranty Contracts (In million)	\$49.51	\$0.00	\$0.00	\$0.00	\$49.51

MDOT LETTINGS

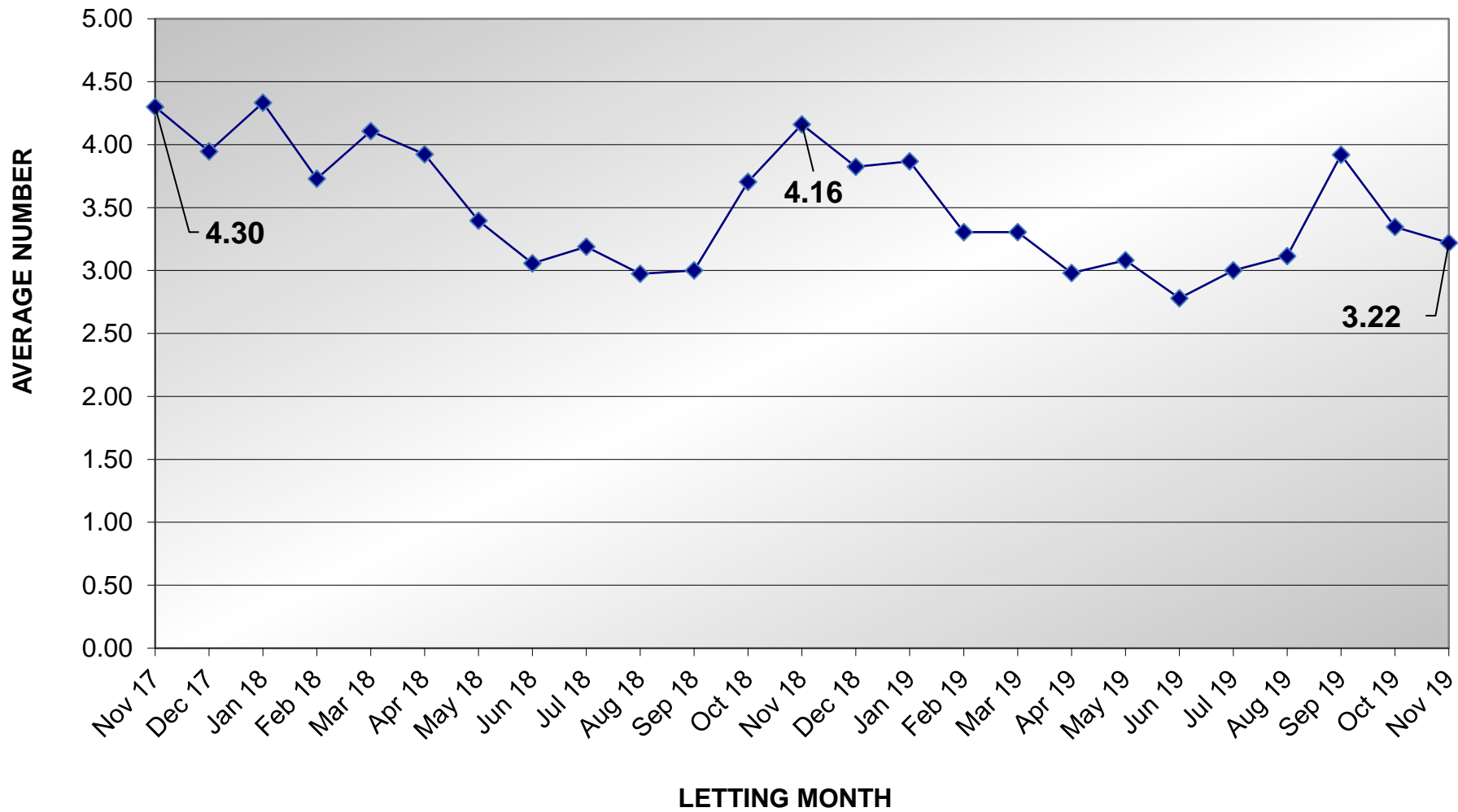
TRUNKLINE CONTRACTS - Dollars per month



MDOT LETTINGS CUMULATIVE YTD TRUNKLINE CONTRACTS DOLLARS



AVERAGE NUMBER OF BIDDERS
NOVEMBER 2017 through NOVEMBER 2019



CONTRACTS WITH SPECIFIED NUMBER OF BIDS - BY REGION

NOVEMBER 2019, BID LETTINGS

REGION	NO BIDS RECEIVED	1 BID	2 BIDS	3 BIDS	4 BIDS	5 BIDS	6 BIDS	7 BIDS	8 BIDS	9 BIDS	=>10 BIDS	NUMBER OF CONTRACTS BY REGION
BAY		1		1	1			2				5
GRAND			1	3	2	1						7
METRO			4	2	3		1				1	11
NORTH		1	3	2	1							7
SOUTHWEST			2	1	2	4	2					11
SUPERIOR		1	8	3	1							13
UNIVERSITY		2	4	5	3							14
NUMBER OF PROJECTS	0	5	22	17	13	5	3	2	0	0	1	Total 68

LETTING STATISTICS

DECEMBER 2019

STATE PROJECTS OVERVIEW

The December 6, 2019, Bid Letting, included 34 Trunkline contracts with \$75.8 million in total engineer estimates. The low bids received totaled \$76.8 million. The average low bid for the was \$2.3 million and the median of \$1.2 million. Of the 34 Trunkline contracts let, 18 included warranties with \$67.7 million as the low bid total. The Trunkline contracts for this letting received a total of 106 bids. In comparison to December of 2018 totals, 35 Trunkline contracts were let with total engineer estimates of \$101.0 million and low bid dollars of \$101.3 million. The total number of bids received for December of 2018 was 122.

For fiscal year 2020 to date, 124 Trunkline contracts have been let with a low bid total of \$297.6 million. For the same period of fiscal year 2019, 70 Trunkline contracts were let with the low bid total of \$224.6 million.

PROJECTS BID SUMMARY

The total number of bids received for the 68 contracts let in the December 6, 2019, Bid Letting was 258 for an average of 3.79 bids received per contract.

For the December 6th bid letting, there were two contracts postponed, no contracts withdrawn, and one contract resulted in the rejection of all bids.

Of the 102 contracting companies approved to submit bids for the December bid letting, 93 submitted at least one bid.

JOB PROJECTIONS

Job projections are Trunkline jobs specific in category and are classified under the work groups of road, bridge, and traffic and safety.

The list of jobs projected to be let during FY 2020 was updated on 12/10/2019 to include a total of 391 jobs with total construction cost estimates of \$1.07 billion.

For fiscal year 2020 through the December bid lettings, 100% of jobs anticipated for this period have been let using 97.0% of the projected cost estimates. For FY 2019 through December, 100.0% of jobs were let using 97.6% of the projected construction costs.

UPCOMING LETTING STATS

A special letting is scheduled for **December 20, 2019**, advertising two Trunkline contracts with total engineer estimates of \$49.8 million. One of the two Trunkline contracts with an engineer's estimate of \$49.5 million includes warranties. In addition, one Local Agency contract is scheduled to be let with an engineer estimate of \$3.2 million.

For the **January 10, 2020**, Bid Letting, 12 Trunkline contracts with total engineer estimates of \$22.6 million are currently advertised. Of the 12 Trunkline contracts, 8 include warranties with an engineer estimate total of \$21.5 million. In addition, 14 Local Agency contracts with total engineer estimates of \$15.4 million are scheduled to be let.

The **January 15, 2020**, Special Bid Letting, is advertising one Alternate Technical Concepts and On-the-Job Training Trunkline contract with an engineer estimate of \$51.0 million. This contract includes warranties.

DECEMBER 2019 LETTING SUMMARY

STATISTICS	PROGRAM AREA				
	TRUNKLINE	LOCAL AGENCY	AERONAUTICS	FREIGHT SERVICES	TOTALS
Project Report					
Number of Contracts Let	34	34	0	0	68
Engineer Estimates of Contracts Let	\$75,772,820.92	\$37,081,959.41	\$0.00	\$0.00	\$112,854,780.33
Low Bid Report					
Low Bid Total	\$76,825,117.62	\$37,903,517.75	\$0.00	\$0.00	\$114,728,635.37
% over/under Engineer's Estimate	1.39%	2.22%	0.00%	0.00%	1.66%
All Bids Rejected Report					
Number of Contracts - All Bids Rejected	0	1	0	0	1
Engineer Estimate Total	\$0.00	\$646,987.75	\$0.00	\$0.00	\$646,987.75
Low Bid Total	\$0.00	\$837,416.10	\$0.00	\$0.00	\$837,416.10
% over/under Engineer's Estimate	0.00%	29.43%	0.00%	0.00%	0.00%
Low Bids Pending					
Number of To Be Announced Contracts	8	6	0	0	14
Engineer Estimate Total	\$38,100,128.79	\$11,100,860.51	\$0.00	\$0.00	\$49,200,989.30
Low Bid total	\$41,763,698.81	\$13,507,485.07	\$0.00	\$0.00	\$55,271,183.88
% over/under Engineer's Estimate	9.62%	21.68%	0.00%	0.00%	12.34%
Bidder (Bids) Report					
Number of Bids Received	106	152	0	0	258
Average # of Bidders per Project	3.12	4.47	0.00	0.00	3.79

UPCOMING LETTING PROJECTIONS

LETTING DATES

	<u>Trunkline</u>	<u>Local Agency</u>	<u>Aeronautics</u>	<u>Freight Services</u>	<u>Total</u>
December 20, 2019, Special Bid Letting					
# of Contracts Advertised	2	1	0	0	3
# of Contracts with Warranties	1	0	0	0	1
\$ Engineer Estimates of Contracts Advertised (In million)	\$49.80	\$3.20	\$0.00	\$0.00	\$53.00
\$ Engineer Estimates of Warranty Contracts (In million)	\$49.50	\$0.00	\$0.00	\$0.00	\$49.50

January 10, 2020, Bid Letting - *THIS LETTING IS NOT COMPLETE*

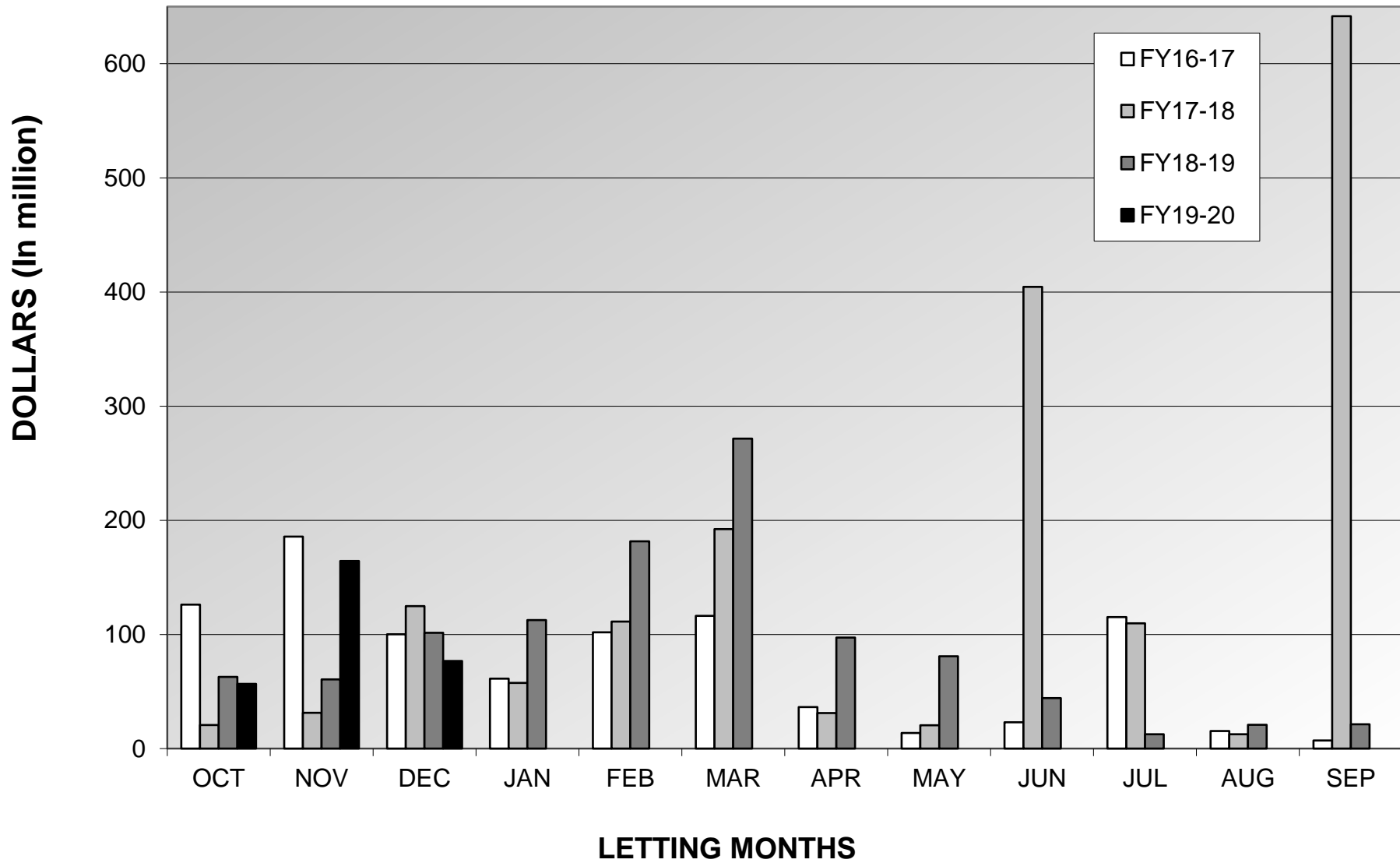
# of Contracts Advertised	12	14	0	0	26
# of Contracts with Warranties	8	0	0	0	8
\$ Engineer Estimates of Contracts Advertised (In million)	\$22.60	\$15.40	\$0.00	\$0.00	\$38.00
\$ Engineer Estimates of Warranty Contracts (In million)	\$21.50	\$0.00	\$0.00	\$0.00	\$21.50

January 15, 2020, Special Bid Letting

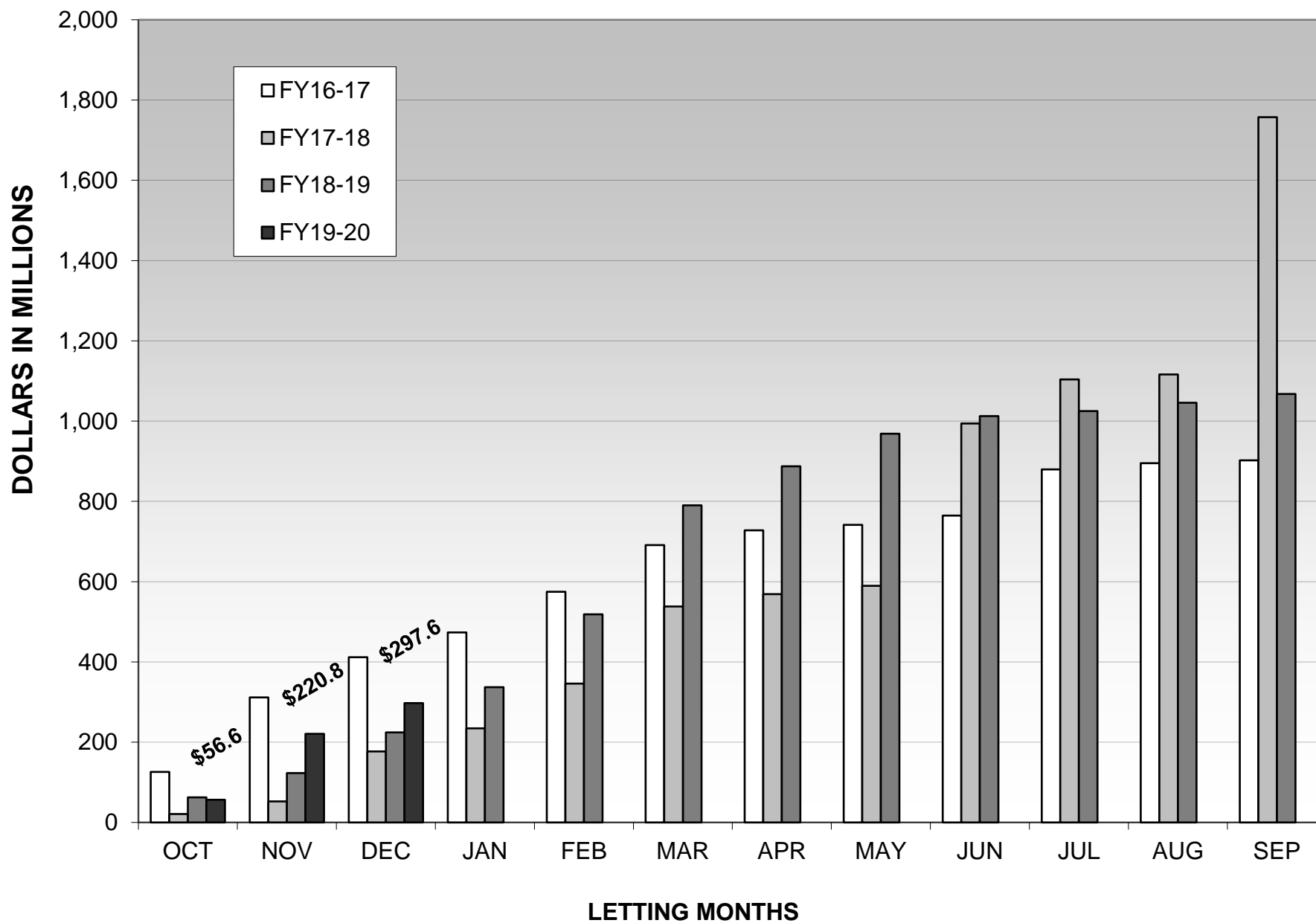
# of Contracts Advertised	1	0	0	0	1
# of Contracts with Warranties	1	0	0	0	1
\$ Engineer Estimates of Contracts Advertised (In million)	\$51.00	\$0.00	\$0.00	\$0.00	\$51.00
\$ Engineer Estimates of Warranty Contracts (In million)	\$51.00	\$0.00	\$0.00	\$0.00	\$51.00

MDOT LETTINGS

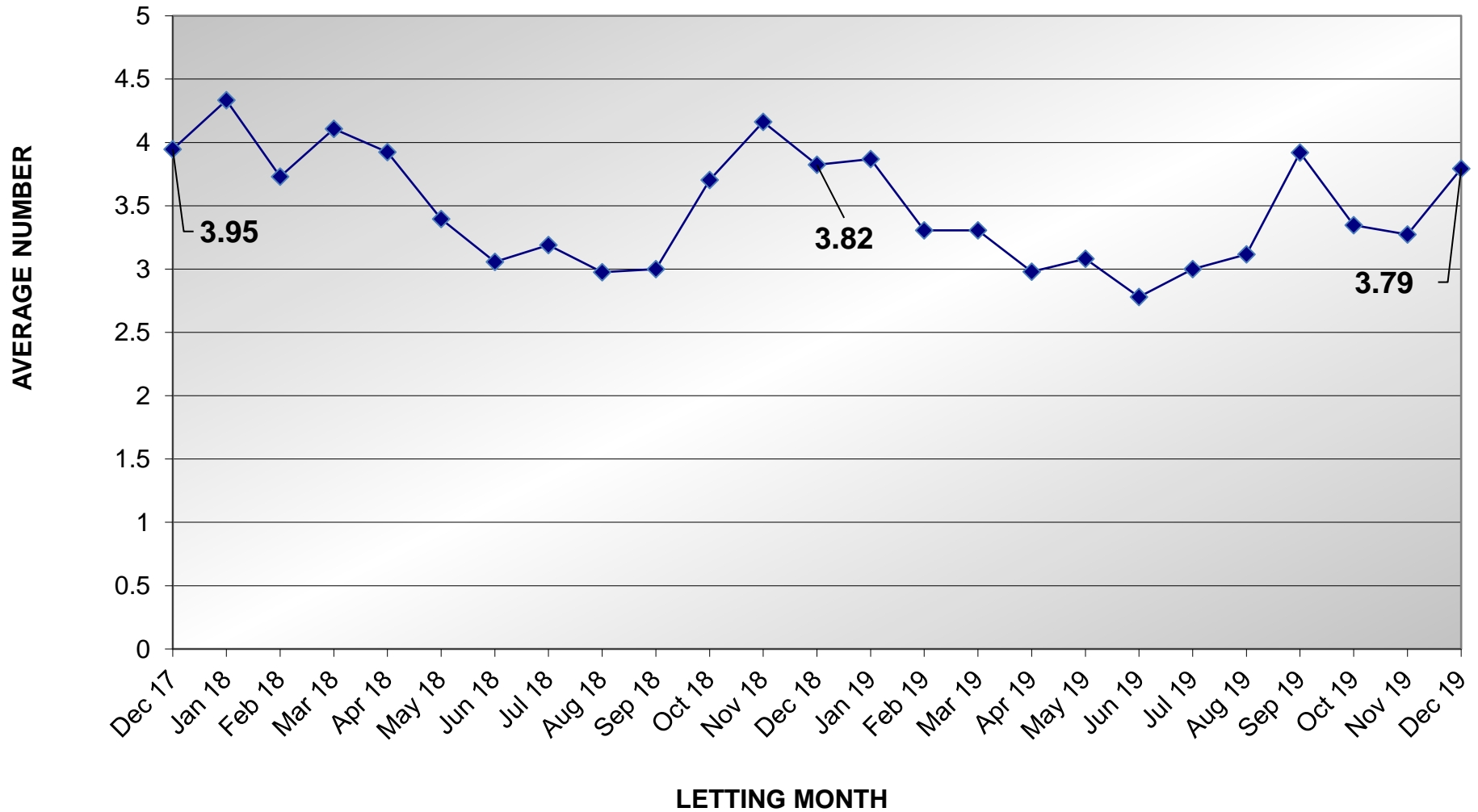
TRUNKLINE CONTRACTS - Dollars per month



MDOT LETTINGS CUMULATIVE YTD TRUNKLINE CONTRACTS DOLLARS



AVERAGE NUMBER OF BIDDERS
DECEMBER 2017 through DECEMBER 2019



CONTRACTS WITH SPECIFIED NUMBER OF BIDS - BY REGION

DECEMBER 2019, BID LETTINGS

REGION	NO BIDS RECEIVED	1 BID	2 BIDS	3 BIDS	4 BIDS	5 BIDS	6 BIDS	7 BIDS	8 BIDS	9 BIDS	=>10 BIDS	NUMBER OF CONTRACTS BY REGION
BAY			2	3	4			1		1		11
GRAND			6	3	4		3			1		17
METRO			1	2	3	2	1					9
NORTH		1	4	1	1	1	1					9
SOUTHWEST			3	4	3	1			1			12
SUPERIOR			1		1							2
UNIVERSITY			1	2	1	2		1	1			8
NUMBER OF PROJECTS	0	1	18	15	17	6	5	2	2	2	0	Total 68

DATE: December 12, 2019

TO: State Transportation Commission

FROM: Jack Cotter, CPA, CGMA
Commission Auditor
Office of Commission Audits

SUBJECT: Justification Memorandums

Attached for your information are the department's justification memorandums for Exhibit A-2 items where the low bid exceeded the engineer's estimate by more than ten percent.

Signed Original on File

Jack Cotter, CPA, CGMA
Commission Auditor

Attachments

cc: T. Hagon

DATE: November 18, 2019

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: November 1, 2019

Project Description: Bridge reconstruction including deck replacement, railing replacement, scour countermeasures, concrete approach reconstruction, drainage and pavement markings on US-23 over the Swan River, Presque Isle County.

Project Number: 71072-132038

Item Number: 1911 024

Low Bidder: Anlaan Corporation

Eng. Est: \$428,738.87 Low Bid: \$734,300.00 Difference: \$305,561.13 Percent: 71.27

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$428,738.87
Anlaan Corporation	\$734,300.00
MacArthur Construction, Inc.	\$763,185.50
Milbocker and Sons, Inc.	\$873,867.15
Grand River Construction, Inc.	\$999,919.91

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were hot mix asphalt approach, superstructure concrete, and structures rehabilitation portion removal. These items were bid higher than normal, due to an expedited schedule and the isolated project location. This project has a work schedule of less than 12 weeks with three different construction stages. The project is also located in a relatively remote location in the northeastern lower peninsula, which may have increased the cost of the major items of work. The estimator considered these factors when estimating the project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of an expedited construction schedule and isolated project location. This project received four bids, ranging from \$734,300.00 to \$999,919.91, which varied by 36.17 percent. The two lowest bids varied by just 3.93 percent. We believe that rejecting this bid and re-letting this project will not

result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Alpena TSC request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	E. Poole
C. Occhiuto	D. Krentz	G. Deans	S. Thayer	M. Chynoweth
T. Sauter	J. O'Leary	T. Avramenko		

BOD:DD:QA:RWC:raw

DATE: December 9, 2019

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: November 22, 2019

Project Description: Bridge removal and replacement of 3 structures with 42"x49" Bulb-Tee beams, 44" continuous plate girders, 54" PCI beams with hot mix asphalt and concrete approach work, concrete curb and gutter, sidewalk, sidewalk ramps, barrier, drainage, sewer, steel sheet piling, steel piles, signage and pavement markings on Mount Elliot Avenue over I-94, East Grand Boulevard over I-94 and Milwaukee Ave over I-75 in the city of Detroit, Wayne County.

Project Number: 82024-113552

Item Number: 1911 601

Low Bidder: Toebe Construction LLC

Eng. Est: \$37,011,639.84 Low Bid: \$42,729,574.09 Difference: \$5,717,934.25 Percent: 15.45

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$37,011,639.84
Toebe Construction LLC	\$42,729,574.09
Dan's Excavating, Inc.	\$43,238,907.10

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were subbase; 12 inch class A sewer; aggregate base; 30 inch water main; 30 inch Great Lakes Water Authority gate valve and well; structure backfill; structures portions removal; foundation excavation; pile driving equipment; and high performance substructure concrete. These items were bid higher than normal due to multiple sites, project location, and non-production construction methods. This project involves three bridges along two highly travelled roadways in a major downtown area of the city of Detroit, requiring mobilization of labor and equipment multiple times. In addition, the project sites have prevalent utilities and smaller work zones, which are not conducive to a high rate of production. Additional coordination time and effort will also be needed with other projects in the corridor competing for weekend closures. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the project location and small work area. This project received two bids of \$42,729,574.09 and \$43,238,907.10, which varied by 1.19 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Metro Region Office request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	E. Poole
T. Stepanski	M. Donoso	O. Adefeso	S. Minton	K. Avery
T. Sauter	J. O'Leary	T. Avramenko	M. Chynoweth	

BOD:DD:QA:DLP:raw

DATE: December 11, 2019

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: December 6, 2019

Project Description: Bridge rehabilitation including hot mix asphalt overlay, metal mesh panel placement, deck fascia scaling and barrier patching on US-131 over Amtrak Railroad and KL Avenue, Kalamazoo County.

Project Number: 39014-204645

Item Number: 1912 002

Low Bidder: Grand River Construction, Inc.

Eng. Est: \$ 825,071.87 Low Bid: \$ 1,078,551.00 Difference: \$ 253,479.13 Percent: 30.72

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 825,071.87
Grand River Construction, Inc.	\$1,078,551.00
C. A. Hull Co., Inc.	\$1,201,908.58
Anlaan Corporation	\$1,211,416.00

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main item found to be higher than the engineer's estimate was minor traffic devices. This item was bid higher than normal due to tight maintaining traffic restrictions, railroad coordination, and a short construction schedule. To reduce the negative impact to traffic, there are various daily and hourly requirements regarding the number of lanes that must remain open on both US-131 and KL Avenue. Furthermore, with the Amtrak Railroad and its own schedule, additional coordination will be needed to minimize potential delays. Also, project work can begin no earlier than April 27, 2020, and must be completed by May 15, 2020. These conditions make it difficult for the contractor to perform the work within the specified timeframe, increasing costs. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of tight maintaining traffic restrictions, railroad coordination, and a short construction schedule. This project received three bids, ranging from \$1,078,551.00 to \$1,211,416.00, which varied by 12.32 percent. The two lowest bids varied by 11.44 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Southwest Region Office request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
T. Sauter	D. Potvin	H. Stinson	K. Curtis	T. Avramenko
L. Bretz	C. Masseur	B. Rottiers	J. Gutting	E. Poole
J. DeRuyver	C. Jacobs	M. Halloran	K. Rothwell	W. Thompson
J. O'Leary	K. Farlin	M. Chynoweth		

BOD:DD:QA:DLP:raw

DATE: December 10, 2019

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: December 6, 2019

Project Description: 1.30 mi of hot mix asphalt micro-cold milling and ultra-thin overlay, pavement repairs and pavement markings on M-68 from South Straits Highway to I-75, Cheboygan County.

Project Number: 16021-204279

Item Number: 1912 060

Low Bidder: Payne & Dolan Inc.

Eng. Est: \$379,891.31 Low Bid: \$525,743.52 Difference: \$145,852.21 Percent: 38.39

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$379,891.31
Payne & Dolan Inc.	\$525,743.52
Rieth-Riley Construction Co., Inc.	\$819,664.92

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were micro cold milling, ultra thin hot mix asphalt, lighting for night work, minor traffic devices and traffic regulator control. These items were bid higher than normal due to schedule constraints and unique work. All milling and paving work must be performed between 8:00 p.m. and 6:00 a.m., with no paving or pavement marking work allowed on weekends. Additionally, all work must be completed within 18 calendar days, and all surfaces must be paved within 48 hours of micro cold milling operations. Micro cold milling is a unique item of work with little bid history, making it difficult to accurately determine the cost. The estimator considered these factors when estimating the project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of schedule constraints and unique work. This project received two bids of \$525,743.52 and

\$819,664.92, which varied by 55.91 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Gaylord TSC request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	H. Stinson	K. Curtis	K. Farlin	T. Sauter
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	E. Poole
C. Kramer	B. Swanson	G. Deans	S. Thayer	J. O'Leary
T. Avramenko				

BOD:DD:QA:RWC:raw

DATE: December 9, 2019

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: December 6, 2019

Project Description: Hot mix asphalt overlay, replace expansion joint and bridge rail, guardrail and approach work on various routes at 10 structures, Van Buren County.

Project Number: 80000-133076

Item Number: 1912 006

Low Bidder: Milbocker and Sons, Inc.

Eng. Est: \$779,121.49 Low Bid: \$961,694.27 Difference: \$182,572.78 Percent: 23.43

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 779,121.49
Milbocker and Sons, Inc.	\$ 961,694.27
Grand River Construction, Inc.	\$ 971,012.54
Anlaan Corporation	\$1,038,094.59
C. A. Hull Co., Inc.	\$1,333,469.70

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were structures, remove portions; structures, rehabilitation, remove portions; hot mix asphalt, bridge railing, guardrail type; and deck joint removal. These items were bid higher than normal due to multiple sites and low production construction methods. This project consists of preventative maintenance work at ten structures spread over Van Buren County. The nature of the proposed bridge work is different at each location and involves small quantities, lowering production and increasing costs. Additionally, there are several stages of construction for each bridge, and the contractor must mobilize equipment and qualified personnel numerous times. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of multiple sites and non-production construction methods. This project received four bids, ranging from \$961,694.27 to \$1,333,469.70, which varied by 38.66 percent. The two lowest bids varied by 0.97 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Van Buren County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	H. Stinson	K. Curtis	K. Farlin	M. Chynoweth
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	E. Poole
T. Sauter	P. Rojas	C. Jacobs	K. Rothwell	W. Thompson
J. O'Leary	T. Avramenko			

BOD:DD:QA:DLP:raw

DATE: December 10, 2019

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: December 6, 2019

Project Description: 6.20 mi of road reconstruction including hot mix asphalt cold milling and resurfacing, concrete pavement repairs, joint and crack repairs, signing, sidewalk ramps and pavement markings on Mack Avenue from Wayburn Street to Cadieux Road and from Moross Road to Eight Mile Road and on Moross Road from Kelly Road to Mack Avenue in the City of Detroit, Wayne County.

Project Number: 82000-203547

Item Number: 1912 026

Low Bidder: Florence Cement Company

Eng. Est: \$3,177,410.40 Low Bid: \$3,958,053.35 Difference: \$780,642.95 Percent: 24.57

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$3,177,410.40
Florence Cement Company	\$3,958,053.35
Cadillac Asphalt, L.L.C.	\$3,998,131.91
Ajax Paving Industries, Inc.	\$4,176,460.09
Cipparrone Contracting, Inc.	\$4,381,540.68
Major Cement Co.	\$4,506,144.01

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were miscellaneous pavement removal, patching; miscellaneous hot mix asphalt; miscellaneous nonreinforced concrete pavement repair, patching; hot mix asphalt surface removal; and miscellaneous concrete curb cap. These items were bid higher than normal due to the project complexity, low production construction methods, and an expedited schedule. This project consists of improvement work along several miles of roadway within four cities, adjacent to a hospital and various bus stops, making maintaining traffic challenging. There are several different repair and rehabilitation methods involved with this project and patching related work will be performed at intermittent locations, decreasing production. Furthermore, project work can begin no earlier than April 15, 2020, and all traffic

lanes must be open on or before July 30, 2020. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of project complexity, low production construction methods, and an expedited schedule. This project received five bids, ranging from \$3,177,410.40 to \$4,506,144.01 which varied by 13.85 percent. The two lowest bids varied by 1.01 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Wayne County Department of Public Services request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseur	B. Rottiers	J. Gutting	E. Poole
T. Sauter	A. Zokvic	A. Wilcox	S. Minton	K. Avery
J. O'Leary	T. Avramenko			

BOD:DD:QA:DLP:raw

REQUEST FOR MICHIGAN STATE
TRANSPORTATION COMMISSION APPROVAL
LETTING EXCEPTIONS AGENDA

December 19, 2019

TRUNKLINE CONTRACTS

- | | | |
|----|--|---|
| 1. | Letting of November 1, 2019
Letting Call: 1911 024
Project: NH 71072-132038
Local Agreement:
Start Date: July 6, 2020
Completion Date: October 16, 2020 | Low Bid: \$734,300.00
Engineer Estimate: \$428,738.87
Pct Over/Under Estimate: 71.27 % |
|----|--|---|

Bridge reconstruction including deck replacement, railing replacement, scour countermeasures, concrete approach reconstruction, drainage and pavement markings on US-23 over the Swan River, Presque Isle County. This project includes a 2-year concrete surface coating warranty.

4.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Anlaan Corporation	\$734,300.00	Same	1 **
MacArthur Construction, Inc.	\$763,185.50	Same	2
Milbocker and Sons, Inc.	\$873,867.15	Same	3
Grand River Construction, Inc.	\$999,919.91	Same	4

Total Number of Bidders: 4

2. Letting of November 22, 2019
 Letting Call: 1911 601
 Project: ST 82024-113552, ETC
 Local Agreement: 19-5470
 19-5471
 19-5472
 19-5473
 19-5474
 19-5475
 Start Date: January 20, 2020
 Completion Date: November 1, 2020
- Low Bid: **\$42,729,574.09**
 Engineer Estimate: \$37,011,639.84
 Pct Over/Under Estimate: 15.45 %

Bridge removal and replacement of 3 structures with 42"x49" Bulb-Tee beams, 44" continuous plate girders, 54" PCI beams with hot mix asphalt and concrete approach work, concrete curb and gutter, sidewalk, sidewalk ramps, barrier, drainage, sewer, steel sheet piling, steel piles, signage and pavement markings on Mount Elliot Avenue over I-94, East Grand Boulevard over I-94 and Milwaukee Ave over I-75 in the city of Detroit, Wayne County. This project includes two 5-year materials and workmanship pavement warranties and one 2-year concrete surface coating warranty.

6.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Toebe Construction LLC	\$42,729,574.09	Same	1 **
Dan's Excavating, Inc.	\$43,238,907.10	Same	2

Total Number of Bidders: 2

3. Letting of December 6, 2019
 Letting Call: 1912 002
 Project: M 39014-204645
 Local Agreement:
 Start Date: April 27, 2020
 Completion Date: May 15, 2020
- Low Bid: **\$1,078,551.00**
 Engineer Estimate: \$825,071.87
 Pct Over/Under Estimate: 30.72 %

Bridge rehabilitation including hot mix asphalt overlay, metal mesh panel placement, deck fascia scaling and barrier patching on US-131 over Amtrak Railroad and KL Avenue, Kalamazoo County.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Grand River Construction, Inc.	\$1,078,551.00	Same	1 **
C. A. Hull Co., Inc.	\$1,201,908.58	Same	2
Anlaan Corporation	\$1,211,416.00	Same	3

Total Number of Bidders: 3

4. Letting of December 6, 2019

Letting Call: 1912 060

Project: ST 16021-204279

Local Agreement:

Start Date: September 13, 2020

Completion Date: October 14, 2020

Low Bid: **\$525,743.52**

Engineer Estimate: \$379,891.31

Pct Over/Under Estimate: 38.39 %

1.30 mi of hot mix asphalt micro-cold milling and ultra-thin overlay, pavement repairs and pavement markings on M-68 from South Straits Highway to I-75, Cheboygan County. This project includes a 2-year pavement performance warranty.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Payne & Dolan Inc.	\$525,743.52	Same	1 **
Rieth-Riley Construction Co., Inc.	\$819,664.92	Same	2

Total Number of Bidders: 2

LOCAL AGENCY CONTRACTS

5. Letting of December 6, 2019

Letting Call: 1912 006

Project: MCS 80000-133076

Local Agreement: 19-5501

Start Date: 10 days after award

Completion Date: September 25, 2020

Low Bid: **\$961,694.27**

Engineer Estimate: \$779,121.49

Pct Over/Under Estimate: 23.43 %

Hot mix asphalt overlay, replace expansion joint and bridge rail, guardrail and approach work on various routes at 5 structures, Van Buren County. This is a Local Agency project.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Milbocker and Sons, Inc.	\$961,694.27	Same	1 **
Grand River Construction, Inc.	\$971,012.54	Same	2
Anlaan Corporation	\$1,038,094.59	Same	3
C. A. Hull Co., Inc.	\$1,333,469.70	Same	4

6. Letting of December 6, 2019

Letting Call: 1912 026

Project: STU 82000-203547

Local Agreement: 19-5511

Start Date: April 15, 2020

Completion Date: October 28, 2020

Low Bid: **\$3,958,053.35**

Engineer Estimate: \$3,177,410.40

Pct Over/Under Estimate: 24.57 %

6.20 mi of road reconstruction including hot mix asphalt cold milling and resurfacing, concrete pavement repairs, joint and crack repairs, signing, sidewalk ramps and pavement markings on Mack Avenue from Wayburn Street to Cadieux Road and from Moross Road to Eight Mile Road and on Moross Road from Kelly Road to Mack Avenue in the city of Detroit, Wayne County. This is a Local Agency project.

5.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Florence Cement Company	\$3,958,053.35	Same	1 **
Cadillac Asphalt, L.L.C.	\$3,998,131.91	Same	2
Ajax Paving Industries, Inc.	\$4,176,460.09	Same	3
Cipparrone Contracting, Inc.	\$4,381,540.68	Same	4
Major Cement Co.	\$4,506,144.01	Same	5

Total Number of Bidders: 5

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of February 11, 2019.

Respectfully submitted,

Paul C. Ajegba, P.E.
Director